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November 29, 2023

Re: Michael T. Doyle
19-23231-shl

STATUS REPORT

Honorable Sean H. Lane
United States Bankruptcy Court, S.D.N.Y.
300 Quaroppas Street
White Plains, N.Y. 10601

Dear Judge Lane,

This matter is on your calendar for December 6th, 2023 for an adjourned Status Conference and an adjourned hearing on Confirmation.

The Debtor has sufficient consents to confirm the proposed Plan, and has agreed with the objecting Secured Creditor to submit a consent to the Plan in accordance with an approved stipulation upon amendment of the plan to include the terms of that stipulation. The filed Plan provides that the Debtor will apply any recovery from any source available to the plan, and this provision November 30, 2023 will remain in any amended Plan.

The remaining issue is the claim of the New York State Department of Taxation and Finance for third party liability of the Debtor for several restaurant operations in New York City that accrued immediately before the Covid lockdown.

The negotiations with the NYSTDF continue. Based on my discussions with the District Tax Attorney (DTA) for NYSDTF and only after I addressed the required authority for me to speak for a non-debtor entity who is the major taxpayer liable for the liability, we then confirmed that the third party has paid approximately \$35,000.00 towards the original principal claim of approximately \$35,000. The problem now is that those liabilities have accrued enormous penalties and interest caused by the debtors businesses being involuntarily

shuttered due to Covid. At the time the non-debtor third party negotiated its plan to make installment payments to satisfy the open liability it was advised that after the principal taxes were paid that NYSDTF would consider relief for the penalties and interest. I have also confirmed that relief was available and that the N.Y.S. Regulations provide for similar relief due to circumstances beyond a taxpayers control.

My discussions with DTA have proceeded slowly due to the fact that the amounts due from the third party is a moving number. The DTA recently advised that any relief must be approved by Albany. Earlier this month I submitted a final proposal that would consider our request for abatement of much of the penalties and interest on the third party liability under a payment plan going forward, while also providing for the Debtor and his non- Debtor spouses individual income tax liability, caused by a misapplication of covid relief, being paid in full, shortly after confirmation. Once an agreement is reached it would be contained in the Amended Plan. The DTA has advised that he will consider this proposal within the next few weeks (He is out of his office until December 4th) and if acceptable, it will be submitted to Albany for approval.


All other creditors, save a small auto loan deficiency, have consented to the Plan and any amendment will not affect their claim. We will then be in a position to proceed to Confirmation.

I respectfully request an adjournment for 60 days, or I will appear on December 6th to report these facts if your Honor would like me to, and at that time I will ask for another 60 days to finalize the offer to the DTA and await a response from Albany.

The Debtor is current with MORs thru September, and I will file October before December 6th. The Debtor may owe some Trustee fees which we will address immediately upon confirmation of the amount.

Respectfully,

Very truly yours,

BARR LEGAL PLLC

Harvey S. Barr